



NEWS RELEASE

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FOR IMMEDIATE RELEASE

TWO FLORIDA MEN INDICTED FOR ROLE IN \$13 MILLION COUNTERFEIT PHARMACEUTICAL CONSPIRACY

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that two Florida men were indicted by a federal grand jury today for their role in a conspiracy to manufacture and sell approximately \$13 million worth of counterfeit and illegally imported pharmaceuticals.

Pablo Manuel Fernandez, 45, of Miami Beach, Fla., and **Iggy Santisteban**, 50, of Miami, Fla., were charged in an 11-count indictment returned by a federal grand jury in Kansas City.

Today's indictment is the result of an ongoing investigation into the manufacturing, smuggling and distribution in interstate commerce of counterfeit pharmaceuticals that was launched by the Food and Drug Administration in April 2003, Graves said. The investigation also involves the illegal importation, smuggling and distribution of foreign-manufactured, illegally diverted pharmaceuticals. The investigation included, but was not limited to, the prescription drug Lipitor. Lipitor is manufactured and distributed by Pfizer Ireland Pharmaceuticals and Pfizer, Inc.

Count One of the federal indictment alleges that **Fernandez** and **Santisteban** conspired to sell counterfeit, misbranded and illegally imported drugs between February 2002 and April 2003, in Kansas City, Mo. Count One of the federal indictment also alleges that in carrying out the conspiracy, **Fernandez** and **Santisteban** defrauded the United States Federal Drug Administration.

The indictment alleges that the co-conspirators illegally imported Lipitor tablets into the United States by making false representations to the U.S. Customs Service. The indictment also alleges that **Fernandez** and others purchased various chemicals, punches and dies to be used in manufacturing counterfeit Lipitor, Zocor, Plavix, Viagra and Bextra tablets. The chemicals,

punches and dies were shipped to locations outside the United States (Costa Rica and Honduras) for the purpose of setting up a drug manufacturing facility in a foreign country. **Fernandez** and others caused those materials to be used to manufacture counterfeit Lipitor, Zocor, Plavix, Viagra and Bextra and then, as part of the conspiracy, the tablets would be illegally imported back to the United States. In addition to manufacturing counterfeit tablets, the co-conspirators also manufactured counterfeit labels that were meant to resemble genuine labels used on bottles containing genuine Lipitor tablets.

The indictment alleges that the co-conspirators also attempted to sell the counterfeit, misbranded, illegally imported and diverted tablets to drug wholesalers located in the United States, including Albers Medical, Inc., and Albers Medical Distributors, Inc., in Kansas City, Mo.

In carrying out the conspiracy, co-conspirators intended to obstruct the lawful functions of the Federal Drug Administration, which is an agency tasked with preventing the sale and distribution of drugs not approved for sale and distribution in the United States.

Counts Two through Nine of the federal indictment allege that **Fernandez** fraudulently sold counterfeit Lipitor that bore the trademark, trade name and other identifying marks of genuine Lipitor without authorization on eight separate occasions between Nov. 15, 2002, and Feb. 24, 2003.

Count Ten of the federal indictment alleges that **Fernandez** conspired to commit mail fraud on 17 separate occasions between February 2002 and April 2003, in Kansas City, Mo. The indictment alleges that **Fernandez** used a private, commercial interstate carrier (United Parcel Service) to send and deliver counterfeit, misbranded and illegally imported drugs to locations specified by Albers Medical Distributors, Inc., and Albers Medical, Inc.

Count Eleven of the federal indictment is a forfeiture count and would require **Fernandez** to forfeit to the government any proceeds he derived as a result of the mail fraud alleged in Count Ten of the indictment, which includes approximately \$10 million.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This case is being prosecuted by Senior Litigation Counsel Gene Porter. The case was investigated by the United States Food and Drug Administration.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow

